



m/055/016
Please file

Star Stone Quarries, Inc.

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RECEIVED

JUL 26 2004

DIV OF OIL GAS & MINING

Buzz Rakow
Bureau of Land Management
122 West 500 South
Hanksville, UT 84734

July 16, 2004

Re: Torrey Quarry, Notice of Intention to Commence Large Mining Operations

Dear Mr. Rakow:

This letter is in response to correspondence from your office dated June 25, 2004 and a phone conversation between yourself and Glenda on July 14, 2004. In that conversation you asked Star Stone to provide additional information in conjunction with the Notice of Intention (NOI) for the Torrey Quarry that we submitted to your office. The information the BLM is seeking is in regards to justifying our "occupancy" on the site. Also, to address the issue of an escrow account for stone to be removed from the site. We now submit the following further information as a response to that request. A copy of this letter will also be sent to the Division of Oil, Gas & Mining care of Wayne Hedberg.

OCCUPANCY:

43 CFR 3715.3-2 *What information must be provided to the BLM about the proposed occupancy?*

A map has previously been submitted in the NOI. We submit, with this additional information, an exact copy of that map for your convenience. We believe that the equipment used for our mining operation does not necessarily constitute "occupancy". The trailer that is used to house men, is pulled out at the end of the season and the only items left are equipment used in a working operation. However, we address the question of "occupancy" by submitting the following information required in writing.

(A) *How the proposed occupancy is reasonably incident:*

Reasonably incident in this instance includes "those actions or expenditures of

labor and resources...to develop, mine... a valuable mineral deposit, using methods, structures and equipment appropriate to the geological terrain, mineral deposit,...and reasonably related activities.” Star Stone’s proposed occupancy is reasonably incident in that our action and expenditures at this site are to mine a mineral (sandstone) that is used for decorative building stone among other things. It is our contention that the stone mined at our operation is not of the common variety. The equipment is minimal and appropriate for the type of mining Star Stone is conducting. The method used in our mining operation (open pit, single bench) and the equipment (front end loader) used in the same operation are the statutory standard used elsewhere in similar mining operations. Our activities are appropriate for both the terrain and the mineral deposit.

(B) *How the proposed occupancy meets the conditions specified in Sec 3715.2 and 3715.2-1:*

3715.2: Those activities that are the reason for our occupancy meet the following conditions:

- (a) Reasonably incident: Please see above explanation (A).
- (b) Constitute substantially regular work:
The work will be done annually during the mining season (spring and/or summer).
- (c) Be reasonably calculated to lead to the extraction of minerals:
Every activity conducted on the mine site is calculated for the extraction of minerals (sandstone) to be sold as decorative building stone used for exterior and interior walls of buildings, patios, floors, fireplaces and retaining walls.
- (d) Involve observable on-the-ground activity that is verifiable:
The activity is observable particularly during the mining season. One can observe the actual extraction of the mineral at that time. During the off-season, the undertaking is not as apparent but one can notice from one season to the next, how much mineral (sandstone) has been extracted.
- (e) Use appropriate equipment that is presently operable:
The equipment used are a front end loader, a saw and water tanks mounted to trucks for mobility. We also use a temporary trailer while the mine is being actively worked. This trailer is removed when the quarry is not actively operating. Each of the pieces of equipment are operable. Each piece of equipment is appropriate for the operation. The front end loader extracts the stone, the saw cuts it and the water is used for cooling the saw and for dust control measures.

3715.2-1:

We believe that the equipment used for our mining operation does not necessarily constitute "occupancy". The trailer that is used to house men does constitute occupancy, but it is pulled out at the end of the season and the only items left are equipment used in a working operation. We are defending our position that our activity is within the permissible guidelines as found in 3715.0-5 in that equipment on site is used on site and is not being merely stored there. Also, the camper-trailer is removed at the end of each mining season.

(C) *Where temporary structures will be placed for occupancy:*

Temporary structures will be placed as indicated on the map. The only temporary structure that is not mobile during active mining is the trailer where the men will be temporarily housed for the duration of the active mining period. Everything else is mobile mining equipment. The equipment is parked in the central area near the road during times of non use and are moved to the work area when needed for mining activity.

(D) *The location of and reasons for enclosures, fences, gates and signs:*

There will be no enclosures, fences, gates or signs.

(E) *The location of reasonable public passage/access routes through or around the area to adjacent public lands:*

Please see attached map. There is a road leading into the quarry from the west and continuing through the quarry to the area east of the quarry site.

(F) *The estimated period of use of the structures, etc., and the schedule for removal and reclamation when operations end:*

The estimated period of use of the temporary structures (camp-trailer) and equipment is annually during the spring or summer season for the duration of approximately 3-6 weeks. They will be used every year for the period of the NOI which is five years at this time. The structures and equipment are scheduled for removal at the time of final reclamation. The exact date of final reclamation is unknown at this time.

ESCROW:

We are willing to establish an escrow account in accordance with 43 CFR 3809.101 (b) (3). We will make regular payments to the escrow account for the interim price of \$10.00 per ton until such time that an appraised value is set, or the final determination of whether

or not the mineral is a common variety. We understand that if we establish an escrow account in a form acceptable to BLM and make regular payments under a payment schedule approved by the BLM we will be allowed to continue operations on the acreage authorized under UTU-70593 while an assessment is being conducted.

We request that you inform us as to the acceptable form and payment schedule for an escrow account. Please let us know in writing. We are anxious to began operating out of the Torrey Quarry once again.

Thank you in advance for all your help and consideration in this matter. Please call either me or Glenda Burningham at (801) 262-4300 with any questions or concerns. Glenda will be calling to get information on setting up an escrow account so that things can move forward as quickly as possible.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lon Thomas". The signature is written in dark ink and is positioned above the printed name.

Lon Thomas

cc: Wayne Hedberg, DOGM (S/055/016)



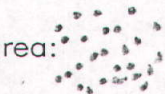
MAP # 3

Star Stone Quarries, Inc. NOI Torrey Quarry 2004

Proposed and Existing Surface Facilities

scale: 1 inch = 264 feet

Current mining area:



Topsoil stockpile:



Area for topsoil salvage:



Trailer:



Proposed mining area:



Dump/waste pile:



Active mining work area:



Saw and Water tanks:



(Transportable between the areas shown)

Impervious containment for potentially deleterious materials:

